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A Limited Liability Partnership

2 Including Professional Corporations

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9 f/k/a PopExpert, Inc.

10 UNITED STATES BANKRUPTCY COURT

11 NORTHERN DISTRICT OF CALIFORNIA

12 SAN FRANCISCO DIVISION

13 In re

Case No. 16-30390

14  
15 Old PXPRT, Inc., f/k/a PopExpert, Inc.,

Chapter 11

16  
17 Debtor.

**DECLARATION OF INGRID  
SANDERS IN SUPPORT OF  
DEBTOR'S MOTION TO DISMISS  
CHAPTER 11 CASE AND FOR  
RELATED RELIEF**

18  
19 Date: December 1, 2016

20 Time: 10:00 a.m.

21 Place: United States Bankruptcy Court

450 Golden Gate Avenue

Courtroom 19

San Francisco, CA 94111

22 Judge: Honorable Hannah L. Blumenstiel

1 I, Ingrid Sanders, declare:

2 1. I am the Chief Executive Officer (“CEO”) of Old PXPRT, Inc. f/k/a  
3 PopExpert, Inc. (the “Debtor”). I make this declaration in that capacity. Except as  
4 otherwise indicated, all statements in this Declaration are based on my personal knowledge  
5 and my review of the Debtor’s books and records and discussion with the Debtor’s  
6 counsel. If I were called to testify as a witness in this matter, I could and would  
7 competently testify to each of the fact set forth herein based upon such discussion, my  
8 personal knowledge, review of documents, or opinion.

9 2. I submit this declaration in support of the *Debtor’s Motion to Dismiss*  
10 *Chapter 11 Case and for Related Relief* (the “Motion”), filed with this declaration. I give  
11 undefined capitalized terms the same meaning given them in the Motion.

12 3. The Motion seeks Court an order from this Court that: (i) dismisses this  
13 chapter 11 bankruptcy case; (ii) provides that all orders entered in this bankruptcy case will  
14 remain in full force and effect following the dismissal; (ii) authorizes the Debtor to make  
15 payments on account of the scheduled and/or filed claims in accordance with the priority  
16 scheme under the Bankruptcy Code; and (iv) grants related relief.

17 **A. The Debtor**

18 4. Prior to its sale of assets, the Debtor was engaged in the development and  
19 operations of a number of internet platforms that provide on demand access to lifelong  
20 learning. Its platforms enabled customers to learn from top experts around topics that help  
21 customers improve at life, work and play. The company, was founded in 2012 and was  
22 based in San Francisco, California. It funded its initial operations largely through funding  
23 from investors in exchange for promissory notes. I am the Debtor’s founding CEO.

24 **B. The Bankruptcy Filing**

25 5. The Debtor commenced this bankruptcy case by filing a voluntary chapter 11  
26 petition on April 12, 2016, commencing the Bankruptcy Case. As I stated in my  
27 declaration in support of the Debtor’s “first day” filings, the Debtor initiated the  
28 Bankruptcy Case, in part, because of the distraction from the litigation in which it was

1 engaged and because of the expressed desire of potential purchasers of the Debtor to  
2 acquire its assets free and clear of claims and interests. As also stated there, the Debtor's  
3 strategy in the Bankruptcy Case was to conduct a sale of its assets in an expedited manner.

4 **C. Sale of Assets**

5 6. On May 16, 2016, the Debtor filed a motion for the sale of substantial all of  
6 its assets to a stalking horse bidder and subject to an auction. The Debtor held an auction  
7 on June 2, 2016, at which auction the Debtor's assets were sold for \$534,000 (the "Sale  
8 Proceeds"). The sale closed on June 8, 2016. Upon the closing of the sale, the Debtor  
9 ceased regular business operations, including all revenue-generating operations,

10 **D. Remaining Assets of the Estate**

11 7. Following the payment of administrative expenses, including professional  
12 fees incurred through July 31, 2016, the Sale Proceeds that remain in the estate are  
13 approximately \$235,000. The Debtor does not anticipate receiving any additional funds  
14 now that it has sold its assets and ceased all revenue-generating operations.

15 8. The only other potential assets consist of claims of the Debtor asserted in the  
16 state court litigation commenced prepetition against the Debtor's former CEO and OMC.  
17 Those claims are being released as part of the consideration being received under the  
18 Settlement Agreement that is currently subject to the Court's consideration pursuant to a  
19 separate motion being heard concurrently with the Motion. The Debtor is not aware of any  
20 other material estate assets.

21 9. The Debtor has also performed a preference analysis and concluded there are  
22 no preference claims worth filing. The Debtor does not expect the value of its estate will  
23 increase beyond its current value by any method.

24 **E. Claims Against the Estate**

25 a. Administrative Claims

26 10. The administrative claims that remain outstanding consist of: (i) professional  
27 fee claims for fees and expenses incurred after July 31, 2016 (as the Debtor has paid the  
28 professional fee claims incurred through such date and previously allowed by the Court on

1 an interim basis) and (ii) certain small expenses. I understand that the professionals will be  
2 filing final fee applications, which will be subject to the review and approval of the Court  
3 at the hearing on the final fee applications.

4 11. In addition, the Debtor is current on its obligation to pay the fees due to the  
5 Office of the United States Trustee through September 30, 2016. The Debtor anticipates  
6 \$1,950 will be due on account of such fees for the period after such date and taking into  
7 effect the distributions to creditors described in the Motion.

8 b. Priority Claims

9 12. There are four prepetition claims asserted against the Debtor's estate as a  
10 non-secured priority claims. Chart 2 in the Motion lists all such claims.

11 c. General Unsecured Claims

12 13. The remaining claims against the Debtor's estate are general unsecured  
13 claims, which are described in Chart 3 in the Motion.

14 **F. Proposed Payment of Claims**

15 14. The Debtor proposes to distribute the remaining cash from the Sale Proceeds  
16 to the creditors as described in the Motion, which I understand is in accordance with the  
17 priority scheme under the Bankruptcy Code.

18 15. I believe that the Debtor is capable itself of administering and distributing its  
19 estate to these creditors efficiently and effectively.

20 16. The Debtor believes that the appropriate resolution of this case is through  
21 dismissing it as requested in the Motion. The dismissal is anticipated to provide a speedy  
22 and cost-efficient exit that helps avoid further diminution of estate assets and a  
23 concomitant decrease in the distributions to creditors.

24  
25 I declare under penalty of perjury under the laws of the United States of America  
26 that the foregoing is true and correct. Executed on November 9, 2016.

27   
28 Ingrid Sanders